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1 Conoco

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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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LAND OFFICE	
TRANSPORTER	OIL
	GAS
OPERATOR	
PROMOTION OFFICE	

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-104
Revised 10-01-78
Format 08-01-83
Page 1

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JUL 28 1988

OIL CON. DIV.
DIST. 3

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. Operator
DUGAN PRODUCTION CORP.

Address
P. O. Box 5820, Farmington, NM 87499-5820

Reason(s) for filing (Check proper box) Other (Please explain)

New Well Recompletion Change in Ownership

Change in Transporter of: Oil Casinghead Gas Dry Gas Condensate

If change of ownership give name and address of previous owner _____

II. DESCRIPTION OF WELL AND LEASE

Lease Name Marathon	Well No. 2	Pool Name, including Formation South Bisti Gallup	Kind of Lease Navajo State, Federal or Fee Allotted	Lease No. NOO-C-14-20-7308
Location Unit Letter <u>G</u> ; <u>1830</u> Feet From The <u>North</u> Line and <u>1830</u> Feet From The <u>East</u>				
Line of Section <u>4</u> Township <u>23N</u> Range <u>10W</u> , NMPM, <u>San Juan</u> County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

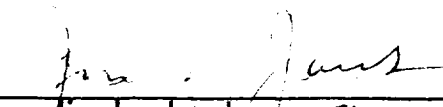
Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> Conoco	Address (Give address to which approved copy of this form is to be sent) P. O. Box 1429, Bloomfield, NM 87413			
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> Dugan Production Corp.	Address (Give address to which approved copy of this form is to be sent) P. O. Box 5820, Farmington, NM 87499-5820			
If well produces oil or liquids, give location of tanks. Unit <u>A</u> ; Sec. <u>4</u> ; Twp. <u>23N</u> ; Rge. <u>10W</u>	Is gas actually connected? Yes		When 7-24-88	

If this production is commingled with that from any other lease or pool, give commingling order number: _____

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.



 Jim L. Jacobs (Signature)
 Geologist

 (Title)
 7-26-88

 (Date)

OIL CONSERVATION DIVISION
 JUL 28 1988
 APPROVED _____
 BY _____ Original Signed by FRANK T. CHAVEZ
 SUPERVISOR DISTRICT 03
 TITLE _____

This form is to be filed in compliance with RULE 1104.
 If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.
 All sections of this form must be filled out completely for allowable on new and recompleted wells.
 Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.
 Separate Forms C-104 must be filed for each pool in multiply completed wells.

7. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well XX	Gas Well	New Well XX	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
Date Spudded 5-31-88	Date Compl. Ready to Prod. 7-6-88		Total Depth 4770'			P.B.T.D. 4711'		
Conventions (DF, RKB, RT, GR, etc.) 6625' GL; 6637' KB	Name of Producing Formation Gallup		Top Oil/Gas Pay 4453'			Tubing Depth 4668'		
Perforations 4453-4652' Gallup						Depth Casing Shoe 4779' RKB		

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT
12-1/4"	9-5/8" OD	210' RKB	147.5 cf
7-7/8"	4-1/2" OD	4779' RKB	1686 cf
	2-3/8" OD	4668'	

TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tanks 7-6-88	Date of Test 7-25-88	Producing Method (Flow, pump, gas lift, etc.) pumping	
Length of Test 24 hrs.	Tubing Pressure 80	Casing Pressure 80	Choke Size ---
Total Prod. During Test 43 BO, 25 BLW*18 MCF	Oil - Bbls. 43 BOPD	Water - Bbls. 25 BLWPD*	Gas - MCF 18 MCED

S WELL *Water is frac fluid

Total Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MCF	Gravity of Condensate
Producing Method (pilot, back pr.)	Tubing Pressure (Shut-In)	Casing Pressure (Shut-In)	Choke Size